

### **Remarks**

In the final Office Action of November 2, 2005, (“Office Action”), the Examiner rejected claims 1-22. Independent Claims 1 and 22 and dependent Claim 9 are being amended in this response, without prejudice. The amendments were not made for purposes of patentability, but only for purposes of clarifying the environment in which the presently claimed invention operates, and in particular for clarifying “electronic market.” No new matter was added. Support for the amendments can be found throughout Applicants’ specification including Figure 2 and the supporting text found on page 10 of the specification. Not only did the cited references fail to show every element recited in the claims presented before the amendment, but the references fail to show every element recited in the currently amended claims.

### **Rejection under 35 U.S.C. § 103**

Examiner rejected claims 1-22 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent Application No. 2002/0091617 to Keith (hereinafter “Keith”) in view of U.S. Patent Application No. 2002/0188549 to Nordlicht (hereinafter “Nordlicht”). Because Keith and Nordlicht fail to show every element recited in the claims, Applicants respectfully traverse and request reconsideration.

The standard for obviousness, 35 U.S.C. § 103(a), provides that an invention is not patentable:

if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art.

The test for obviousness is well known. The obviousness inquiry requires: (1) an inquiry into the scope and content of the prior art; (2) identification of the differences between the prior art and the claimed invention; (3) determination of the level of ordinary skill in the art at the time of the invention; and (4) consideration of objective evidence of secondary considerations. Graham v. John Deere Co., 383 U.S. 1, 17 (1966). The PTO has the burden of establishing a prima facie case of obviousness. In re Fine, 837 F.2d 1071, 1074 (Fed. Cir. 1988).

Relating to the first inquiry, when obviousness is based on the teachings of multiple prior art references, there must be a “suggestion, teaching, or motivation” that would have led a person of ordinary skill in the art to combine the relevant prior art teachings in the manner claimed. Tec Air, Inc. v. Denso Mfg. Mich. Inc., 192 F.3d 1353, 1359-60 (Fed.Cir.1999); Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc., 75 F.3d 1568, 1573 (Fed.Cir.1996). In other words, the “examiner must show reasons that the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select the elements from the cited prior art references for combination in the manner claimed.” In re Rouffet, 149 F.3d 1350, 1357.

The use of hindsight is impermissible. “Our case law makes clear that the best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references.” In re Dembiczak, 175 F.3d 994, 999 (Fed. Cir. 1999); see also Ruiz v. A.B. Chance Co., 234 F.3d 654, 665 (Fed. Cir. 2000). This is because “[c]ombining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability-the essence of hindsight.” In re Dembiczak, 175 F.3d 994, 999 (Fed. Cir. 1999).

Relating to the second inquiry, the focus is not merely on the differences between the claimed invention and the prior art, but on the claimed “subject matter as a whole.” Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561, 1565 (Fed. Cir. 1987). A patent claim is obvious, and thus invalid, when the differences between the claimed invention and the prior art “are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art.” 35 U.S.C. § 103; see also Graham v. John Deere Co., 383 U.S. 1, 13, 86 S.Ct. 684, 692, 15 L.Ed.2d 545 (1966); In re Dembiczak, 175 F.3d 994, 998 (Fed.Cir.1999). Whether or not changes from the prior art are “minor,” they must be evaluated in terms of the whole invention including whether the prior art provides any teaching or suggestion to one of ordinary skill in the art to make the changes that would produce the patentee's method and device. Northern Telecom Inc. v. Datapoint Corp., 908 F.2d 931, 935 (Fed. Cir. 1990).

Relating to the third inquiry, a person of ordinary skill in the art is presumed to be one who thinks along the line of conventional wisdom in the art and is not one who undertakes to innovate, whether by patent and often expensive, systematic research or obviousness. Standard Oil Co. v. American Cyanamid, 774 F.2d 448, 454 (Fed. Cir. 1985). “[T]he level of skill in the art is a prism or lens through which a judge or jury view the prior art and the claimed invention. This reference point prevents deciders from using their own insight or, worse yet, hindsight, to gauge obviousness. Rarely, however, will the skill in the art component operate to supply missing knowledge or prior art to reach an obviousness judgment. Skill in the art does not act as a bridge over gaps in substantive presentation of an obviousness case, but instead supplies the primary guarantee of objectivity in the process.” Al-Site Corp. v. VSI Intern., Inc. 174 F.3d 1308, 1324 (Fed. Cir. 1999).

According to M.P.E.P. § 2143, to establish the required prima facie case of obviousness of claimed invention, the prior art reference (or references when combined) must teach all the claim limitations. Nordlicht and Keith do not teach all of the claim limitations, for at least the reasons stated below, and therefore a prima facie case of obviousness has not been established.

Independent Claim 1 provides a method for sending an order to an electronic market, comprising “...sending an order on behalf of a trader from a first electronic market to a second electronic market...” Claim 1 has been amended to clarify an electronic market, and more specifically “...the first electronic market comprises a first computerized matching process that is configured to automatically match bids and offers received from remote client devices to trade a first tradeable object...” and the “...the second electronic market comprises a second computerized matching process that is configured to automatically match bids and offers received from remote client devices to trade a second tradeable object...” Also, Claim 1 states “...the second tradeable object is different from the first tradeable object...”

Applicants respectfully submit that neither Keith nor Nordlicht teach “sending an order on behalf of a trader from a first electronic market to a second electronic market,” as called for in Applicants’ Claim 1. According to the Examiner, Keith “does not explicitly disclose: automatic modification of order, sending the order or message, all

from a first electronic market to a second electronic market....” The Examiner then turns to Nordlicht and states “Nordlicht discloses sending the order from a first electronic market to a second electronic market....” However, Applicants submit that the Examiner mischaracterizes the disclosure of Nordlicht.

As previously stated in the response to the Office Action mailed March 16, 2005, Nordlicht shows a trading system including two client devices 108 and 110 that can communicate with a clearinghouse device 104, as shown in Nordlicht’s Figure 1. According to Nordlicht, when traders at both client devices attempt to complete a transaction, and one of the traders lacks credit worthiness so that the second trader declines to accept the transaction, the client device forwards the transaction for completion to the clearinghouse 104. The clearinghouse 104 can then finalize the transaction. In other words, Nordlicht provides a system in which entities have the ability to “change transaction type” from a first market type (credit) to a second market type (clearinghouse) to complete a transaction started between traders at their client devices 108, 110.

First, Nordlicht does not disclose, teach, or suggest sending an order on behalf of a trader “from a first electronic market to a second electronic market.” An electronic market, according to Applicants’ Claim 1, comprises a “matching process” that is configured to “automatically match bids and offers received from remote client devices” to trade the tradeable object at the particular market. In contrast, Nordlicht requires the transaction process to take place at the client devices between the two entities – and not at an “electronic market.” According to Nordlicht, one of the entities at a first client device sends an offer to the other entity at a second client device. The entity at the second client device can accept or reject the offer. If the offer is rejected, then either the entity at the first or second client device can request to complete the transaction at the clearinghouse. (See, e.g., Figs. 2 and 3 in Nordlicht).

Additionally, Nordlicht also does not teach sending an order on behalf of a trader from “a first electronic market” to “a second electronic market,” where the tradeable objects traded at each of electronic markets is different (Claim 1 states “...the second tradeable object is different from the first tradeable object”). Rather, Nordlicht teaches

the trading of the same item, regardless of the transaction type – i.e., whether the trade takes places through credit or the clearinghouse.

Second, there is no motivation that would lead one of ordinary skill to combine and modify the prior art references to achieve Applicants' Claim 1. Conventional electronic markets, as disclosed in Applicants' specification and particularly the background section with respect to Applicants' Fig. 1, require a trader to submit orders to the market, thereby consuming more time to complete trades and also burdening the client-side systems. With the presently claimed invention of Claim 1, the client-side systems are offloaded and the time to complete trades is preferably reduced, because it is the electronic markets that are taking the action on behalf of the traders. Neither Keith nor Nordlicht address the same problems or share the same advantages.

In fact, Nordlicht teaches away from Applicants' presently claimed invention because Nordlicht requires a significant part of the transaction process to be performed at the client devices 108, 110. The "first client device" and the "second client device" each have "a trading function." The trading function 109 and 111 are shown in Fig. 1. (§s 25 – 29). Thus, the first attempt at completing the transaction through credit is performed between the two traders' client-sides (e.g., see Figs. 2, 3, 4 5 of Nordlicht), and only if the transaction cannot be completed due to a rejection by one of the entities (lack of credit by one entity), then upon request, the transaction can be completed through the clearinghouse.

Keith also does not disclose or suggest one of its external markets taking an action on behalf of a trader, and in particular "sending an order on behalf of a trader from a first electronic market to a second electronic market," as called for in Applicants' Claims 1 and 22. Rather, Keith is merely directed to a routing system, in which a trading process routes orders from order rooms to market processes. (See., e.g., Keith, Abstract). In Keith, the routing decision is performed at the platform of the system positioned on the path between the order rooms 70, 72, and the external markets 80, 82, and 83. (See, e.g., Keith, Fig. 1 and paragraph 0048). Instead of offloading the trader-side software, Keith requires the routing platform to communicate with an order room and await a decision from the order room even before an order is routed to a market selected by the platform. Additionally, Keith provides no motivation that would lead one of ordinary skill, at the

time of invention, to arrive at Applicants' solution, expressed for example, in Claim 1, without the use of hindsight.

Independent Claim 22 is a computer readable medium that has similar limitations as independent Claim 1 and is patentable for at least all the reasons provided above with respect to the patentability of Claim 1.

Independent Claim 12 calls for a method for managing an order at a first electronic market on behalf of a trader comprising "receiving the order at the first electronic market from the trader" and "monitoring data external to the first electronic market." Based on the monitoring, "using a microprocessor executing one or more instructions to automatically modify the order," wherein "the steps of monitoring and modifying are performed by the first electronic market." Applicants respectfully submit that neither Keith nor Nordlicht teaches an "electronic market" that monitors "data external" to the electronic market and is configured to "modify" an order that is received at the market from a trader. Additionally, there is no motivation or suggestion in the prior art that would lead one of ordinary skill to modify the references to achieve Applicants' presently claimed invention.

Independent Claim 17 calls for a system for performing an act by an electronic market on behalf of a trader comprising "a receive component...for receiving a market event request message; a monitoring component...for monitoring data according to the market event request message..." and "...an action taking component...for automatically triggering an action by an electronic market based in part on the market event request message and the step of monitoring." Applicants respectfully submit that neither Keith nor Nordlicht teaches such a "receive component," a "monitoring component," and a "action taking component," as called for by Applicants' Claim 17, where the "action taking component" automatically triggers an action by an electronic market on behalf of a trader based in part on the market event request message and the step of monitoring. Additionally, there is no motivation or suggestion in the prior art that would lead one of ordinary skill to modify the references to achieve Applicants' presently claimed invention.

Also, as to each of the rejected claims, the Examiner did not give a "clear and particular" motivation to make them obvious, but rather provided a conclusory statement

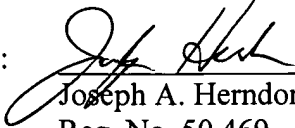
to make the purported combination and modification. Rather, the Examiner stated on page 3 of the Office Action: "It would have been obvious to one with ordinary skill in the art to include automatic modification of order, sending the order, or a message all from a first electronic market to a second electronic market because Nordlicht teaches conditions present that are required to modify and send orders." The Applicants submit that the Examiner cannot point to any clear and particular evidence to make such claims obvious. While the PTO has the burden of establishing a prima facie case of obviousness, the Applicants respectfully submit that the Examiner did not meet this burden. Neither cited reference teaches an electronic market taking an action on behalf of a trader and neither cited reference provides a suggestion or motivation to do so.

### **Conclusion**

In view of the reasons provided above, Applicant submits that the invention as claimed in claims 1-22 patentably distinguish over the Keith and Nordlicht references, taken alone or in combination. Each dependent claim adds further limitations supporting individual allowability based on, at least, the detailed discussion for Claims 1, 12, and 17 provided above. Therefore, Applicant submits that each of these claims is in condition for allowance, and Applicant respectfully requests favorable reconsideration. If Examiner believes that further dialog would expedite consideration of the application, Examiner is invited to contact Applicants' Patent Counsel Mark Triplett at (312) 476-1151 or the undersigned attorney/agent.

Respectfully submitted,

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